

ARMY review(s) completed.

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GENERAL

1. US note on free Polish elections--The State Department has notified the Polish Government that the US can not consider the terms of the Yalta and Potsdam decisions as having been fulfilled unless the Government extends "equal rights and facilities" to all democratic and anti-Nazi parties during the electoral campaign and in the elections themselves. The note expressed surprise that the Polish Government had, without explanation, failed to fulfil its Potsdam assurance of holding elections this year (the elections are scheduled for 19 January 1947).
2. US disturbed by Mikolajczyk's proposed plea--The State Department has instructed US Charge Keith in Warsaw to inform Mikolajczyk that it is "considerably disturbed" by Mikolajczyk's contemplated note to the Yalta Powers concerning Polish elections. The Department believes that such a note would unwisely precipitate a crisis, that Mikolajczyk could not long remain in the Provisional Government or participate in the elections if the Yalta Powers failed to agree, and that the USSR would probably not even discuss such a note with the US and UK.
3. US deplores proposed Danish-Soviet air pact--The State Department has instructed US Minister Copenhagen to inform the Danish Government "orally and in confidence" that it considers the proposed non-reciprocal Danish-Soviet air agreement as contrary to the orderly development of international Civil Air Transport and to the best interests of the Danish Government.
4. US urges Icelandic action on Vlk operation--The State Department has instructed US Legation Reykjavik "urgently" to inform the Icelandic Government that it should drop its "dog in the manger" attitude, and present a practical plan for the continued operation of Vlk. The Department points out that, though Vlk is essential to the safety of all aircraft using the north Atlantic route, Iceland has taken no steps to furnish operating personnel.
5. Strong support urged for Anglo-American oil agreement--The US representatives in the current London petroleum discussions have recommended that, subject to consultation with the leaders of the new US Congress, the State Department authorize assurance to the British that the Department will give "strong and prompt support" to ratification of the Anglo-

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American oil agreement. (This agreement provides for joint Anglo-American discussion of their world-wide oil problems; the Senate Foreign Relations Committee, to which it was originally referred, has taken no action.)

6. British policy toward China--The British Ambassador at Nanking has informed Stuart that British policy is "to keep in step with the China policy of the US so far as this consisted in" giving moral support to China's National Government and encouraging Chinese governmental development on a broadly democratic basis. He said the UK Government would hesitate to intervene in Chinese political affairs "for fear of complications with Russia;" however, he indicated willingness to speak with Chiang Kai-shek, Communist leaders, or others, whenever it would be helpful to do so.
7. Mines in Corfu Straits recently laid--A UK Foreign Office official has told US Charge Gallman in London that two of the mines swept from the Corfu Straits were "clearly" of German origin and had been laid not longer than two months ago. The official added that "there were two mines laid directly across the channel."

EUROPE

8. RUMANIA: Soviet civilian penetration of Dobruja area--US Delegate ACC reports that during the past six months there has been a continuous increase in the Soviet civilian population of Constanta, and that there is no observable explanation for the presence of so many Soviet civilian families. The latter "appear to wander about the streets with little or nothing to do." The Delegate suggests the possibility that the USSR has a long-range plan for "Russianizing" Rumanian Dobruja (the Black Sea coastal area between the USSR and Bulgaria) to serve as a connecting link between the USSR and a possible South Slav federation which would exclude non-Slavic Rumania.

Groza does not intend to resign--Premier Groza has told US Representative Berry that, regardless of the outcome of the 19 November elections, he has no intention of submitting the collective resignation of his Government, because he is "a simple man" and resignations are "complex matters with which simple men should not play."

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NEAR EAST-AFRICA

9. **IRAN:** Minister comments on proposed US loan--Allen reports that the Minister of War, now acting Prime Minister in absence of Qavam, has informed him that the proposal for a loan of \$30,000,000 from the United States for purchase of military supplies would be placed before the Iranian Cabinet this week. Allen comments that an announcement of such a US loan for military supplies would have a highly beneficial political effect in Iran. The Minister of War also told Allen that the conclusion of such a loan would enable Iran to refuse any military aid from the USSR.

FAR EAST

10. **CHINA:** Marshall's and Stuart's views on UK aid--General Marshall and Ambassador Stuart do not regard British training of 600 Chinese naval cadets now en route to England, nor the British "loan" of a cruiser to the Chinese Navy, as constituting a violation of the US-Chinese informal understanding that no third-power personnel shall be engaged for Chinese military training. He recommends that the US Government refrain from injecting itself further into the affair.

Retention of T.V. Soong reportedly assured--Embassy Nanking has been [redacted] informed of Chiang Kai-shek's assurance to T.V. Soong that the latter "would retain his position in a reorganized government" [redacted]

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